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Prepared By: Dimosthenis Faniadis

Approved By: Charles Rush

Report Highlights:

This report is written for U.S. companies interested in doing business in Greece. It contains information on the economic situation, consumer buying patterns, and strategies for market entry. Greece presents market opportunities for many U.S. consumer-orientated products, including tree nuts, distilled spirits, soybeans, forest products, seafood, and processed fruits.

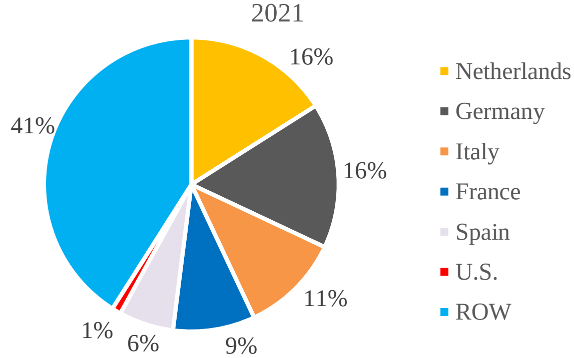
Market Fact Sheet: Greece

Executive Summary

With a population of 11 million and a gross domestic product (GDP) of approximately $215 billion, Greece is a relatively small country. Greece is a part of the EU single market and customs union and is a Eurozone member. Greece continued to break records with the number of tourist arrivals until 2019, with more than 30 million tourists. However, the tourism economy was hard hit by the COVID-19 pandemic and started to rebound in 2021. Greece imports significantly more food and beverages than it exports and is reliant on imports to meet the demands of consumers for food products. Opportunities to expand U.S. food and beverage sales exist, but U.S. food processors should study the market well in advance.

Imports of Consumer-Oriented Products

Consumer-oriented food and beverage products remain the most important agricultural imports from the United States. In 2021, the consumer-oriented sector accounted for 42.1 percent of total agricultural, fish and forestry imports from the United States, valued at $53.4 million.



Food Processing Industry

Food processing is a key sector in Greece, accounting for 10 percent of employment. The food industry accounts for 29 percent of all manufacturing enterprises and in 2021, the sector generated revenue of approximately $15 billion.

Food Retail Industry

In 2021, grocery store sales increased slightly at 2.4 percent and registered approximately $10.5 billion after a 15-year record compared to the previous year. The COVID-19 crisis also accelerated the e-commerce transition in food retail which reached $265 million in sales.

Quick Facts CY 2021

Imports of Consumer-Oriented Products *(in $million)*
$53.4 million

List of Top 10 Growth Products in Greece

1) Cheese	2) Milk and Cream
3) Beef products	4) Pork products
5) Bakery goods	6) Bananas
7) Potatoes	8) Food preparations
9) Coffee	10) Poultry products

Food Industry by Channels ($billion) 2021

Food Industry Output	15.7
Food Exports	7.4
Food Imports	7.0
Retail	10.5

Food Industry Gross Sales ($billion) 2021
Food Industry Revenues (Domestic market) approx. $18 billion

Top Greek Food Retailers

1) Sklavenitis J&S SA	5) Masoutis SA
2) Ahold Delhaize	6) Pente SA
3) Schwarz Beteiligung	7) Market In SA
4) Metro SA	8) INKA Coop

GDP/Population
Population *(millions)*: 10.7
GDP: $215 billion
GDP per capita *(USD)*: $17,144 (World Bank data, 2021)

Strengths/Weaknesses/Opportunities/Challenges

Strengths	**Weaknesses**
Greek importers favor U.S. products because of good quality and wider variety.	Prices on supermarket shelves are rising rapidly after the pandemic and the price of basic products are expected to further increase.
Opportunities	**Threats**
The scale of the U.S. food industry may offer price competitiveness on large volume orders.	Competition from EU member states is strong. COVID-19 has had an enormous financial impact on the HRI industry.

Data and Information Sources:
Trade Data Monitor, LLC; Greek official statistics

Contact:
FAS Rome Covering Greece, AgRome@fas.usda.gov

Section I. – Market Overview

Greece is the 16th largest economy in the EU-27, accounting for 1.2 percent of EU GDP in 2021. The Greek economy stabilized in 2019, however it decreased in 2020 and is forecast to rebound in 2021 and 2022, primarily due to the impact of the COVID-19 pandemic, inflation, and high energy costs. Greece's public sector accounts for about 40 percent of GDP and tourism accounts for 18 percent of GDP. Greece is a major beneficiary of EU aid equal to about 3.3 percent of annual GDP. Before the COVID-19 pandemic, Greece's economy experienced a period of significant recovery and GDP was on the rise. However, Greece fell into another recession due to the economic fallout in 2020 prompted by COVID-19. The broad-based government support measures to mitigate the impact of high energy prices are set to partly cushion the impact of high inflation on businesses and on households' real disposable income in 2022. These measures will continue until the end of 2023.

The Greek economy is highly dependent on the food and beverage industry. There are more than 16,000 enterprises in Greece's food processing sector, with an approximate product value of $11 billion. According to the Research Institute of Retail Consumer Goods survey of the impact of high energy costs, revenue in the food sector is forecast to decrease approximately 30 percent. The biggest impact is expected in meat processing (down 40 percent) and distilled spirits (down 50 percent), followed by fruits and vegetables (down 25 percent).

- **Population and Key Demographic Trends**

According to Eurostat, in 2021, Greece's population was estimated at 10.7 million, down 0.4 percent since 2020. According to the latest data available from the Hellenic Statistical Authority, the Region of Attica is home to approximately 3.8 million residents (35.2 percent of the population), followed by the Region of Central Macedonia which has 1.8 million people (17.6 percent of the population). Thus, over half the population lives in Athens and Thessaloniki, the biggest cities in Greece. Greece's population continues to age with the "over 65" population estimated at 2 million (19.5 percent of the population). The number of people aged 85 and over was more than 200,000, accounting for 2.1 percent of the total population.

- **Overall Business Climate**

Greece can be a successful market for those companies willing to invest the time and resources to establish stable contacts. Eighty percent of Greece's import trade is handled through sales agents or distributors. Distributors generally supply the wholesale sector, and in some cases directly to the retail trade, usually based on exclusive sales rights for certain districts or for the entire country. There are over 16,000 food businesses in Greece, often small, family-owned and operated businesses, each of which deals in a narrow range of foods. For example, the bread and baked goods business is the leading category (61%), followed by oils and fats (10%), dairy products (6%), and all other food categories combined (remaining 23%).

Local representation and personal contacts are required for successful product introduction on the Greek market. A local representative can provide up-to-date market intelligence, guidance on business practices and trade related laws, sales contact with existing and potential buyers, and market development expertise. The Office of Agricultural Affairs in Rome covering Greece maintains lists of potential importers/distributors by sector.

The agricultural sector in Greece remains a very important economic activity and employer for Greece. The sector employs 12.5 percent of the total labor force, about 600,000 people. Agriculture contributes roughly 5 percent to GDP. Exports of agricultural products account for one third of total exports. Agriculture is characterized by small farms and low capital investment.

Greece's utilized agricultural area is nearly 5 million hectares, of which 57 percent is in the plains and 43 percent is in mountainous or semi-mountainous areas. There are about 150 million olive trees in Greece, either in systematic orchards or scattered across the country. Lower agricultural productivity in Greece is a direct result of the smaller production area. The economies of scale offered by modern farming practices have limited impact on the small plots of land typically cultivated in Greece. Greece’s agricultural output has steadily declined from 17 percent of GDP in the early 1990s to only 4.7 percent today.

Greece imports significantly more food and beverages than it exports and is reliant on imports to meet the demands of Greek consumers for food products. Greek agricultural product exports increased 20.7 percent in 2021, compared to the previous year. The value of exports reached $9 billion. Cotton, cheese, olive oil, and table olives are the primary Greek exports, accounting for 30.6 percent of total product exports in value terms. In 2021, Greek agricultural imports were valued at $8.7 billion, an increase of 22 percent compared to the previous year. Cheese and meat products were most in demand, totaling $1.5 billion. Products with good sales potential in Greece include dairy products, meat, cereals, sugar, alcoholic beverages, exotic/counter seasonal fruits, planting seeds, feed, tree nuts, and non-GMO food ingredients for the domestic food processing and confectionary/ice cream sectors. Greece is strongly receptive to U.S. goods and services. In 2021, U.S. agricultural exports were valued at approximately $127 million.

The COVID-19 pandemic has negatively impacted the retail industry globally since 2020. The pandemic required the temporary closure of many stores, weakened consumer demand, and increased the cost of doing business for many retailers. The implementation of social distancing policies and city or national lockdowns limited or eliminated in-person dining. In addition, institutions such as schools closed, and some consumers decided that home-prepared food would be safer, shifting millions of eating occasions into the home and driving a significant increase in retail purchases (Euromonitor, 2020).

- **Recent Trends**

According to a survey by the Research Institute of Retail Consumer Goods (IELKA), conducted in November 2021, consumers are looking at the role particular food items can play in promoting good health. Functional foods items like vitamin D-fortified orange juice or yoghurt drinks containing probiotics are becoming more popular as consumers care more about health benefits.

Advantages and Challenges for U.S. Suppliers on the Greek Market

Advantages	Challenges
The scale of the U.S. food industry may offer price competitiveness on large volume orders.	Prices on supermarket shelves are rising rapidly due to inflation. Greek household income continues to decrease.
The U.S. and Greece have long-standing cultural and political ties.	Poultry and red meat are highly regulated from the EU, as are dairy product imports from the U.S.
The United States has a good brand image in Greece. The quality of U.S. products is highly appreciated.	Labels, including nutritional panels need to be changed. Pack size and pallet sizing may also need changing.
Most importers speak English.	Need to develop relationships with Greek trade contacts and invest in marketing the product.
Strong interest in innovative products. Currently there is high interest in natural, "wholesome" and "healthy" food categories.	The COVID-19 pandemic changed diets.
Tourism provides a seasonal boost to retail food and drink sales.	The tourism economy was heavily hit by the COVID-19 pandemic in 2020 but rebound in 2021 and 2022 to reach pre-pandemic levels.
Greek ports are offering a destination point, which covers a big area of the Balkans and can reduce the transportation costs for U.S. exported goods.	Changes in taxation as part of the bailout may affect shipping rates. Shipping costs have been growing strongly since 2021.

Section II. – Exporter Business Tips

When looking at the Greek market the following information should be reviewed:

- Basic market research to form an understanding of what kinds of products and services may prove profitable in the Greek market.
- Greek business partners and terms-local representation and personal contacts are required to successfully introduce a product into the Greek market.
- U.S. products may be subject to levies based on an ad valorem cost, insurance, and freight (CIF) basis.
- Greek Tourism adds more than 30 million visitors to the market which increases total food consumption.
- Greece follows EU policies regarding labeling and ingredient requirements. Labels including nutritional panels need to be changed. Pack size and pallet sizing may also need to be changed.

General Consumer Tastes and Preferences

Food Safety	As a result of food scares over the past two decades in the EU, the Greek food supply chain is now heavily scrutinized, meaning that Greek retailers, foodservice operators and manufacturers are paying more attention to traceability and quality assurance.
Biotech (GE)	Biotech products or products that contain biotech ingredients can only be sold in the EU if the biotech (GE) trait has gone through the EU approval process. However, Greece has adopted an anti-GE stance not only on the cultivation of GE crops, but also on the use of GE products.
Organic	Greece, unlike most European nations, has suffered from declining organic food sales in recent years. Sales peaked in 2008 and have since declined. Greek consumers are unwilling to pay a premium for product labeled as organic.
Health	During the Covid-19 pandemic more Greek consumers are in search of health benefits and good natural sources of vitamin C, increasing also fresh fruit, fruit juices, and low-fat or low-sugar processed food demand.
Package Sizes	On average, Greek households consist of 3 people. Traditionally, kitchens and refrigerators are small and shopping is a daily occurrence with an average monthly expenditure of $450 in 2020, up 9.7 percent compared to 2019.

Section III. - Import Food Standards & Regulations

- **Customs Clearance**

Greece follows EU policies regarding labeling and ingredient requirements. Similarly, Greece employs the same tariffs and border measures as the other EU member states. Products imported into Greece must meet all Greek and EU food safety and quality standards, as well as labeling and packaging regulations. It is important to work with experienced importers and/or have an agent to work with Greek regulatory authorities to ensure the acceptability of specific products. Personal relationships and language ability are of value when conducting business transactions. It is also advisable for the agent to contact the health authorities at the port of entry as interpretation of health directives may vary from port to port.

Complete information on EU import rules for food products may also be found at: http://www.usda-eu.org/trade-with-the-eu/eu-import-rules/

For more food import regulation information see http://www.usda-eu.org/trade-with-the-eu/eu-import-rules/certification/approved-u-s-establishments/.

- **General Import and Inspection Procedures**

Tariffs are based on the Harmonized System, with duties levied on imports from non-European Union (EU) on an ad valorem cost, insurance, and freight (CIF) basis. On average, the import duty is five to seven percent for most products. Most raw materials for manufacturing input can be imported without duties, or with minimal duties. Preferential tariffs and EU tariff rate quotas may apply.

Greece is a World Trade Organization (WTO) member and applies both European Union (EU) mandated and Greek government technical requirements. Greece has been an EU member since 1981when it fully harmonized its requirements with EU regulations, directives and legislation pertaining to agricultural production and the trade and sale of agri-food products. Special import permits and sanitary and phytosanitary certificates may apply to imports from third countries. For example, tree nuts, plant propagation materials and seeds, wood and wood packing materials, textiles, meat products, and pet food all have special provisions.

It is advisable that U.S. exporters to Greece seek advice from local importers regarding the sanitary and phytosanitary requirements and the tariffs/quotas. Most agricultural product imports are covered by the Common Agricultural Policy (CAP), under which many items (including cereals, rice, milk and milk products, beef and veal, olive oil, dried fruit, and sugar) are subject to variable levies.

Occasionally, non-tariff barriers are imposed by the Greek government in the form of intensified sampling and laboratory testing for genetically engineered (GE) products, heavy metals, radioactivity, or mycotoxins. Greece also has a de facto ban on the cultivation of GE crops.

For more information on Product Trade Restrictions, Food Standards and Regulations, please refer to Post's FAIRS GAIN Report.

Section IV. – Market Sector Structure and Trends

The Greek crisis created a completely new retail grocery environment, with conditions in which many retailers and suppliers have never operated. The effects of the recession were still evident in 2019, with low disposable incomes, low consumer confidence and high unemployment; yet the economy seemed to march towards stability, and this was mirrored in the retail sector as consumption increased gradually. Greece's retail grocery market sales were valued at $10.5 billion in 2021, a 2.4 percent increase from 2020.

The bulk of food and drinks are bought via supermarkets in Greece. Greeks, however, still prefer to buy fish, meat and fresh vegetables from specialty retailers. Consumer perceptions are more favorable to specialty retailers. They form personal relationships with local shops and green groceries as they trust that their products are fresher.

The highest inflation in recent years is prompting people to shift their shopping habits, especially at the grocery store, leading consumers to safe and cheap options; scanning for the best deals and seeking alternative stores and channels in order to achieve this. The crisis and the ensuing fiscal adjustment measures have had a strong impact on demand, resulting in the vital restructuring of the sector. However, the retail sector stabilized and even start rising again, should there be no further hits to the Greek economy.

- **Top Five Sectors**

Tree Nuts

In 2021, the United States was the number one supplier of tree nuts (in value and quantity) to Greece. Most tree nuts are used as ingredients by the food processing sector (ingredient of most traditional pastries). Almonds are the most important commodity within this category. Greeks consume per capita more tree nuts than other nationalities. Other tree nuts with good sales potential include cashews, walnuts, pistachios, pecans, and hazelnuts.

Fish and Seafood Products

The excellent reputation and reliability of U.S. lobster and salmon help to boost exports. In Greece, seasonal consumption increases due to tourism and religious traditions. Fish consumption is growing as consumers associate seafood products with a modern healthy diet. The best prospects for U.S. fish and seafood exports are squid, smoked and frozen salmon, lobster, shrimp, crab, catfish, and pollock.

Soybeans

Greece is a net importer of soybean and soybean meal, which represent the main ingredients in animal feed. In 2021, Greece imported 240,402 MT of soybeans, a decrease of 13.7 percent from the previous year, mainly from Brazil (102,905 MT) and the United States (88,677 MT).

Processed Fruit

In 2021, the United States exported 1,176 MT of processed fruit to Greece. Processed fruit is used as ingredients by the confectionary sector. Greek consumers view processed fruit as a time-saving solution in their fast-paced lifestyles. The products with good sales potential include prunes, raisins, pineapples, peanuts, and cranberries.

Pulses

Pulses, including beans, lentils, and chickpeas are favorite ingredients in many traditional Greek dishes. Although pulse purchases have declined over the past 20 years, they are now stable or modestly reviving, as consumers become more nutrition-conscious and strive for a low fat, low-cholesterol diet. Greece's pulses consumption is satisfied by imports mainly from Canada (17,280 MT) and the United States (3,469 MT). The Greek market for pulses - particularly canned products and raw pulse products - is expected to grow in the next five years because of the increasing demand for inexpensive and healthier meal choices.

- **Retailer Information**

For more information on Retail Foods in Greece, please refer to Post's Retail Foods GAIN Report.

- **Qualitative Assessment of the Market Opportunities for Consumer-Oriented Products in the Hotel, Restaurant and Institutional, Retail Food and Food Processing Sector**

The Greek hotel and food service industry consists of 9,873 hotels and more than 100,000 restaurants, cafeterias, bars, and entertainment centers. Seasonality is a key characteristic of the sector. Employment in the HRI industry is estimated at 650,000, about 16.5 percent of the total labor force, and a decrease of 2 percent compared to the previous year. Although the HRI sector is one of the major sources of income for Greece, the Covid-19 economic crisis has severely impacting the profitability of both hotels and food-service businesses. The Greek tourism industry rebounded in 2021 with the number of international arrivals reaching 47 percent of pre-pandemic 2019 levels, according to the Bank of Greece.

Greeks have continued to reduce the frequency of their visits to consumer foodservice outlets. The full-service restaurant sector has been the most severely affected by the economic downturn as consumers have increasingly shifted to more affordable dining options.

The EU is the main competitor for U.S. consumer-orientated food. EU food exporters have relatively low transportation costs and fast delivery times. Their products do not face import duties, nor do they face major ingredient or labeling changes. Products are sourced mainly from Germany, the Netherlands, Italy, Bulgaria, Romania, and Spain.

The United States is the 4th largest non-EU exporter to Greece, representing about 1 percent of all Greek food and drink imports. Ecuador, UK, Russia, and Turkey are some of the other top non-EU suppliers.

Section V. – Agricultural and Food Imports

- **BICO Table for last Five Years**

GREECE IMPORTS OF AGRICULTURAL, FISH & FORESTRY PRODUCTS FROM UNITED STATES CY 2017 - 2021 AND YEAR-TO-DATE COMPARISON					
	CALENDAR YEARS (JAN-DEC)				
PRODUCT	2017	2018	2019	2020	2021
CONSUMER-ORIENTED TOTAL (in millions of dollars)	48.0	48.2	54.8	49.0	53.4
Beef & Beef Products	0.0	0.2	0.3	0.0	0.9
Poultry Meat	0.0	0.4	0.2	0.2	0.3
Food Preparations	3.0	2.0	1.8	2.1	2.8
Chocolate & Cocoa Products	1.0	0.4	0.2	0.1	0.1
Processed Fruit	3.0	3.5	3.8	4.5	5.9
Processed Vegetables	0.0	0.1	0.4	0.4	0.3
Condiments & Sauces	1.0	1.4	1.5	1.0	1.4
Tree Nuts	28.0	31.9	40.7	37.7	36.5
Bakery Goods, Cereals & Pasta	1.0	0.9	0.7	0.3	0.5
Distilled Spirits	9.0	5.7	3.7	1.9	2.8

AGRICULTURAL RELATED PRODUCTS (in millions of dollars)	12.0	12.7	14.8	13.8	15.0
Forest Products	6.0	7.1	6.2	5.8	8.2
Seafood Products	6.0	5.5	8.6	8.0	6.8
AGRICULTURAL PRODUCTS TOTAL ($ million)	80.0	90.8	79.3	78.2	111.7
AGRICULTURAL & RELATED PRODUCTS TOTAL ($ million)	92.0	103.5	94.1	92.0	126.7

Source: Global Agricultural Trade System

- **Best High-Value, Consumer-Oriented Product Prospects Categories**

Market opportunities for U.S. products include tree nuts, distilled spirits, soybeans and soybean meal, forest products, fish and seafood products, processed fruits and vegetables, snack foods, high quality beef, and hides and skins.

Section VI. – Key Contacts and Further Information

FAS Rome, Italy covers Greece
Office of Agricultural Affairs, American Embassy
Via Veneto 119a, Rome, 00187, Italy
Tel: +39 06 4674 2396
Web: https://gr.usembassy.gov/business/foreign-agricultural-service/

Ministry of Rural Development and Food
2, Aharnon Street, GR-101 76 Athens, Greece
Tel: +30 210 212 5525
E-mail: ggram@hq.minagric.gr
Website: http://www.minagric.gr/index.php/el/

General Customs and Excise Department
10, Kar. Serbias, GR-105 62 Athens, Greece
Tel: +30 210 3375 714; 210 3375 715
E-mail: gdcustom@otenet.gr
Website: http://www.minfin.gr

Hellenic Food Safety Authority (EFET)
124, Kifissias Avenue & 2 Iatridou Street
GR-115 26 Athens, Greece
Tel: +30 213 214 5800
E-mail: info@efet.gr
Website: www.efet.gr

Attachments:

No Attachments.